



Southwestern Idaho News

ADA, ADAMS, BOISE, CANYON, ELMORE, GEM, OWYHEE, PAYETTE, VALLEY & WASHINGTON COUNTIES

ECONOMIC TRENDS

The seasonally adjusted unemployment rate for the Boise-Nampa Metropolitan Statistical Area declined for the second straight month, falling to 2.8 percent in September. For four months through July the rate was 3 percent. September's rate was four-tenths of a point lower than a year earlier. A thousand people joined the labor force during the month, and 1,100 more people were working in September than in August. September marks the first time since March that the unemployment rate has been below 3 percent for two or more months, and the rate matches the year's low of 2.8 percent in January.

Total nonfarm jobs increased 1 percent in September, about 2,800, to bring total jobs to 272,800. That is 19,400 more than in September 2005, a 7.7 percent increase. Unlike previous months, construction employment held steady in September as the industry began its return to a more sustainable rate of growth. But it was still more than 10 percent above year-ago levels. September marked the return of kids to school, and that

Southwestern Idaho Table 2: September 2006 Seasonally Adjusted Labor Force Figures for Southwestern Idaho Counties

	Civilian Labor Force	Number Unemployed	Percent Unemployed	Number Employed
Ada	198,216	5,060	2.6	193,157
Adams	2,089	150	7.2	1,938
Boise	4,079	114	2.8	3,965
Canyon	82,907	2,850	3.4	80,056
Elmore	11,285	554	4.9	10,730
Gem	7,588	282	3.7	7,306
Owyhee	5,057	139	2.7	4,918
Payette	10,094	630	6.2	9,464
Valley	5,175	205	4.0	4,970
Washington	5,103	270	5.3	4,833
Statewide	762,793	25,466	3.3	737,327

Southwestern Idaho Table 1: Boise City-Nampa MSA Labor Force & Employment (Ada, Canyon, Boise, Gem and Owyhee counties)

	Sep 2006*	Aug 2006	Sep 2005	% Change Last Month	% Change Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	297,800	296,800	287,800	0.3	3.5
Unemployment	8,400	8,500	9,200	-1.2	-8.7
% of Labor Force Unemployed	2.8	2.9	3.2		
Total Employment	289,400	288,300	278,600	0.4	3.9
Unadjusted					
Civilian Labor Force	293,100	296,000	282,200	-1.0	3.9
Unemployment	7,300	7,800	8,000	-6.4	-8.8
% of Labor Force Unemployed	2.5	2.6	2.8		
Total Employment	285,800	288,200	274,200	-0.8	4.2
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**					
GOODS-PRODUCING INDUSTRIES	55,000	55,000	51,800	0.0	6.2
Natural Resources & Construction					
Construction	24,100	24,100	21,800	0.0	10.6
Manufacturing	23,700	23,700	21,500	0.0	10.2
Durable Goods	30,900	30,900	30,000	0.0	3.0
Wood Product Manufacturing	24,500	24,600	23,800	-0.4	2.9
Fabricated Metal Products Mfg.	2,600	2,600	2,300	0.0	13.0
Machinery Manufacturing	1,500	1,500	1,400	0.0	7.1
Computer & Electronic Manufacturing	1,200	1,200	1,200	0.0	0.0
Transportation Equipment Mfg.	14,200	14,200	14,100	0.0	0.7
Other Durable Goods	2,200	2,300	2,200	-4.3	0.0
Nondurable Goods	2,800	2,800	2,600	0.0	7.7
Food Manufacturing	6,400	6,300	6,200	1.6	3.2
Printing & Related Support Activities	4,300	4,300	4,400	0.0	-2.3
Other Nondurable Goods	700	700	700	0.0	0.0
SERVICE-PROVIDING INDUSTRIES	217,800	215,000	201,600	1.3	8.0
Trade, Transportation, & Utilities					
Trade	54,000	53,700	49,900	0.6	8.2
Wholesale Trade	46,100	45,900	42,700	0.4	8.0
Wholesalers, Durable Goods	12,600	12,600	11,800	0.0	6.8
Wholesalers, Nondurable Goods	7,500	7,500	7,100	0.0	5.6
Retail Trade	3,800	3,700	3,600	2.7	5.6
Food & Beverage Stores	33,500	33,300	30,900	0.6	8.4
General Merchandise Stores	4,600	4,600	4,500	0.0	2.2
All Other Retail Trade	6,700	6,700	6,200	0.0	8.1
Transportation, Warehousing, & Utilities	22,200	22,000	20,200	0.9	9.9
Utilities	7,900	7,800	7,200	1.3	9.7
Transportation & Warehousing	600	600	600	0.0	0.0
Information	7,300	7,200	6,600	1.4	10.6
Telecommunications	5,300	5,400	5,300	-1.9	0.0
Financial Activities	1,400	1,400	2,300	0.0	-39.1
Finance & Insurance	14,800	14,800	8,800	0.0	68.2
Real Estate & Rental & Leasing	10,200	10,300	4,600	-1.0	121.7
Professional & Business Services	4,600	4,500	4,200	2.2	9.5
Professional, Scientific, & Technical	39,200	39,300	38,100	-0.3	2.9
Management of Companies & Ent.	11,200	11,300	10,800	-0.9	3.7
Administrative & Support & Waste Mgmt.	5,900	5,900	5,800	0.0	1.7
Educational & Health Services	22,100	22,100	21,500	0.0	2.8
Educational Services	32,100	31,700	31,400	1.3	2.2
Health Care & Social Assistance	2,700	2,400	2,700	12.5	0.0
Hospitals	29,400	29,300	28,700	0.3	2.4
Leisure & Hospitality	9,700	9,700	9,200	0.0	5.4
Arts, Entertainment, & Recreation	24,000	24,300	22,800	-1.2	5.3
Accommodation & Food Services	3,800	4,000	3,100	-5.0	22.6
Accommodation	20,200	20,300	19,700	-0.5	2.5
Food Services & Drinking Places	2,000	2,000	2,100	0.0	-4.8
Other Services	18,200	18,300	17,600	-0.5	3.4
Total Government	7,300	7,300	6,200	0.0	17.7
Federal Government	41,100	38,500	39,100	6.8	5.1
State & Local Government	5,800	5,900	5,900	-1.7	-1.7
State Government	35,300	32,600	33,200	8.3	6.3
State Government Education	13,600	12,600	13,300	7.9	2.3
State Government Administration	4,600	3,700	4,500	24.3	2.2
Local Government	9,000	8,900	8,800	1.1	2.3
Local Government Education	21,700	20,000	19,900	8.5	9.0
Local Government Administration	13,800	11,900	12,300	16.0	12.2
	7,900	8,100	7,600	-2.5	3.9

* Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

boosted education jobs. With schools opening, employment was up in both public and private schools, accounting for the increase in September's nonfarm jobs. The September labor force and total employment figures for all 10 counties in southwestern Idaho are shown in Treasure Valley Table 2 on page 14.

SPECIAL TOPIC: Recruiting Strategies

With the unemployment rate low in southwestern Idaho and employers needing workers with nearly every skill, it has become increasingly difficult to recruit qualified workers. Employers are resorting to a multitude of new strategies to fill payrolls. One has been termed boomerang recruiting, which as its name implies is going after former employees who have moved on. Employers are tracking these workers down and attempting to re-hire them with increased pay and other incentives.

Employers are also trying individualized flexible work schedules if the situation and business allow it. Companies are using various tactics to boost employee morale, and many are using their current employees to help recruit new ones by setting up employee referral programs and giving bonuses or rewards to employees who refer quality candidates. Some employers are even stockpiling talent. If they know they will need certain job skills in a few months but a good candidate is available, they are hiring the worker now, they are hiring them immediately and keeping them busy on other projects until their primary skills are needed.

Because employers are increasingly making counter offers to candidates being pursued by other companies, employers have found it necessary to build and continue relationships with prospective workers until they join the payroll.

AREA DEVELOPMENTS

Metropolitan Boise

- In addition to the unemployment rate declining for two consecutive months, September marks the second month in a row that the cost of living has declined in the Boise area. According to Wells Fargo, the cost of living declined by 1 percent in September, almost exclusively due to falling fuel prices. Utilities costs also declined in September as clothing, groceries and health care costs went up. The overall decline makes consumer paychecks go a little farther.
- In what will be a boost to the construction industry in southwestern Idaho, the state Transportation Board recently approved seven road construction projects on the freeway between Meridian and Nampa. The seven projects are part of the GARVEE legislation passed two years ago. The timetable for

completing the projects, which include a freeway exit at Ten Mile Road in Meridian and widening both directions to three lanes to Nampa, is 2010.

- St. Luke's Regional Medical Center, one of the region's largest hospitals, has purchased 117 acres in Caldwell across from the Sky Ranch Business Park. With locations in Boise, Meridian and Ketchum, the move westward following population growth will allow St Luke's to more effectively meet the growing need for both inpatient and outpatient health services and give residents more health care options closer to home.
- During September, the median price for homes sold in Ada County was \$240,000, up from \$199,500 one year ago. Canyon County's median price was \$168,000, up significantly from \$134,900 in September 2005. Contradicting the price increases, however, is the fact that the number of homes sold is down 54 from 2005. There were also 195 more homes sold in Canyon County last year. One reason for this decline in the number of sales is a slowdown in the number of new residents from out of state, largely due to the fact that housing markets in places such as California have become so overvalued people with homes for sale either cannot sell them or cannot or will not drop the price. This is not a housing market meltdown but a market playing catch-up to the number of homes that were built so quickly in anticipation of continued in-migration. September sales in Ada County were 1,165, still ahead of 2004's 1,132, further proof that the housing market is returning to more normal levels from consecutive record-setting years.

Valley County

- In the ever growing problem of employers finding enough workers and workers finding affordable housing, the Whitetail Club in McCall has a solution. It invested \$600,000 in a 5,000-square-foot dormitory style facility. Despite the cost, the investment helps ensure the Whitetail Club will have an adequate work force for construction and maintenance projects. Tenants must work at Whitetail and pay \$125 per month rent. In addition to the housing, Whitetail provides lunch for its workers at no charge as well as its employees' work clothes and bedding.
- The city of McCall has begun construction on its first affordable houses. The houses will be 1,100-square-foot modular homes with two to three bedrooms and will sell for approximately \$175,000 each. The properties fall under a deed restriction, which limits the annual appreciation rate to 4 percent in an effort to deter speculative buying.

Elmore County

- The U.S. Air Force is currently negotiating with Singapore to house a squadron of the country's Royal Air Force F-16's at Mountain Home Air Force Base. If the negotiations go as planned, Mountain Home could see the first planes arrive as early as next spring just after the base's own F-16s are moved out.
- The Elmore Medical Center recently purchased land west of the Catholic Diocese for future expansion. It will also help the expansion of the Trinity Mountain Family Practice Clinic.
- The Marathon Cheese facility is nearly complete in Mountain Home. Marathon Cheese is scheduled to take possession of the new 200,000-square-foot facility in December and be up and running a month or two later. Marathon Cheese has hired its plant foreman and is currently hiring for a variety of jobs. New workers will go to Wisconsin for training and then train additional newly hired workers in Mountain Home. Marathon Cheese has indicated that it will be hiring over the next two years.

Adams County

- The city of Council recently joined Adams and Valley counties and the cities of New Meadows, Donnelly, McCall and Cascade in the Valley-Adams Regional Housing Authority. Escalating housing and land prices throughout Valley and Adams counties are preventing families from relocating to Council. The city believes the Housing Authority can help provide opportunities for homeownership for community members unable to afford the expensive land and home prices.

Payette County

- The city of Payette has been offered \$1 million to improve the airport and develop adjacent land. The property next to the airport includes the area around the golf course, which is where a subdivision would most likely be built.

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Idaho's Labor Market Web Site Feature of the Month

A frequent data request at Idaho Commerce & Labor is the **Consumer Price Index**. It is the most widely used measure of inflation and is often referred to as the cost of living index. Monthly indexes are available for two population groups. The CPI-U covers the expenditures of a wide range of urban consumers. The CPI-W covers only the expenditures of urban wages earners and clerical workers. The national CPI-U rate of inflation is typically used in Idaho because it closely represents our cost of living.

The most current CPI, and historic records dating back to 1945, are available on the labor market Web site. Go to <http://lmi.idaho.gov>. Click once on "Income & Wages" on the left side menu bar and reveal the sub-menu. Click on Consumer Price Index which opens the page pictured below. The rest is up to you to follow the information on screen to find what you need. Happy searching!

Consumer Price Index (CPI)

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Indexes	% Change From				
	Oct-06	Sept-06	Oct-05	Sept-06	Oct-05
U.S. City Average	201.8	202.9	199.2	-0.5%	1.3%